

NPIC ROUTING SLIP

FROM:

Asst. for P & D

DATE:

12 Mar 63

TO	INITIALS	DATE	FOR YOUR									
			SIGNATURE	INFORMATION	COMMENTS	CONCURRENCE	APPROVAL	ACTION	SEE REMARKS BELOW	FILE	RETURN	SEE ME
DIR												
DEP/DIR												
EXEC/DIR												
ASST FOR OPS	(2)	15m -										
ASST FOR ADMIN	(1)											
ASST FOR P&D	(3)											
CH/CSD												
CH/PSD												
CH/PD												
CH/TID												
SIO/CIA (PID)												
SIO/ARMY												
SIO/NAVY												
SIO/AF												
LO/DIA												
LO/NSA												
REMARKS:												

Declass Review by NGA.

SIO/CIA (PID)

SIO/ARMY

SIO/NAVY

SIO/AF

LO/DIA

LO/NSA

REMARKS:

CFC

25X1




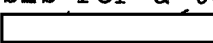
11 February 1963

Dear John,

Jure
13 Feb

acc

At your request we are submitting herewith our proposal for a level of effort development program leading to improved methods, techniques and equipment utilized in exploiting information obtained from various programs utilizing photographic sensors.

We are proposing to conduct such a program using a maximum level of 25 man years on a CPFF basis for a total estimated cost of  including a fixed fee  and contemplates a program of 16 months duration. Our estimate is based on the proposed Statement of Work, attached hereto, and does not contain any allowance for film and chemicals which we assume will be Government furnished under another contract.

We are attaching a summary of our estimated cost and have also taken the liberty of enclosing suggested clauses for the Schedule of any contract which might be forthcoming.

If further information is required please contact us.

F.G.F.

cc:



PROPOSED
CLAUSES
for
SCHEDULE

PART I - SCOPE OF WORK

The Contractor shall conduct developmental studies and investigations and shall perform developmental work and tests in accordance with Exhibit "A" dated _____ attached hereto and made a part of this contract.

PART II - PERIOD OF PERFORMANCE

The period of performance of work under this contract shall commence 1 March 1963 and shall expire on 30 June 1964. Said period of performance, however, may be extended by mutual agreement between the parties hereto.

PART III - ESTIMATED COST AND FIXED FEE

a. The estimated cost of the performance of this contract, exclusive of the fixed fee, is

b. The fixed fee for performance of this contract is

c. Notwithstanding the foregoing and in accordance with Clause _____, LIMITATION OF GOVERNMENT'S OBLIGATION, in the General Provisions of this contract there has been allotted to this contract the sum of _____
_____ for performance hereunder through 30 June 1963.

-2-

PART IV - PAYMENTS

In accordance with the provisions of Clause 4 of the General Provisions of this contract entitled "Allowable Cost, Fixed-Fee, and Payment", the Government shall pay the Contractor, as full compensation for the performance of this contract, the fixed-fee as specified in Part III, above, and the allowable costs incurred by the Contractor in the performance of this contract and accepted by the Contracting Officer as chargeable in accordance with "Contract Cost Principles, Section XV, Part 2, Armed Services Procurement Regulations." It being understood and agreed, without limiting the generality of the foregoing, that the following shall be considered as allowable items of cost hereunder when incurred or paid by the Contractor and when necessary and required and used for the performance of work here-under.

a. Direct Engineering Labor - It is recognized that the standard accounting practice of the Contractor is to cost and charge Direct Engineering Labor including Engineers, Draftsmen and Technicians at average rates in lieu of the actual costs thereof, all such labor being grouped into several classes. Irrespective of employees used, the contract will be charged at the rate for the group in which his particular job classification falls. It is understood that these average rates may vary slightly from time to time, usually not oftener than every six months. It is recognized further that the standard accounting practice of the Contractor is to cost and charge directly to the contract Engineering Shop Labor and all other direct labor at actual cost. It is understood and agreed that this method

-3-

of accounting has been approved by the cognizant Cost Inspection Office and that charges under this contract will conform thereto.

b. Indirect Costs

(1) There shall be included as allowable indirect costs such Overhead and General and Administrative Expense Rates as may be established by the Contractor and the Government Contracting Officer in accordance with the principles of Clause 29 of the General Provisions hereof. Pending establishment of final overhead and G&A rates for any period, the Contractor shall be reimbursed at provisional billing rates acceptable to the Contracting Officer or his representative. Such billing rates may be revised from time to time with the approval of the Contracting Officer and are subject to appropriate adjustment when the final rates for that period are established.

c. Such other necessary costs as may from time to time be necessary to incur in support of the Government's needs hereunder, as approved by the Contracting Officer.

PARTV - PAYMENT OF FIXED-FEE

The Fixed-Fee shall be paid in monthly installments based on allowable costs incurred by the Contractor and approved by the Contracting Officer computed at the same ratio that the total fixed-fee stated herein is to the total estimated cost stated herein; subject, however to the withholding provisions of Paragraph (c) of General Provision 4, ALLOWABLE COST, FIXED-FEE and PAYMENT. The fixed-fee payable hereunder shall not exceed the amount therefor stipulated in the contract as it may be amended from time to time.

PART VI - ANTICIPATORY COST

All costs which have been incurred by the Contractor on or after 1 March 1963, in anticipation of and prior to the signing of this contract, and which if incurred after the signing of this contract would have been considered as items of allowable costs hereunder, will be accepted by the Contracting Officer as costs under this contract.

PART VII - INTERDIVISIONAL BILLING CLAUSE

It is understood that in respect of purchase to be made by the Apparatus and Optical Division from other plants or divisions of the Contractor (which shall not be deemed to include subsidiaries or affiliates) the following principles shall apply: (1) to the extent that such purchases relate to items normally produced and sold by the Contractor, such purchases may be made at net wholesale or, where there is no net wholesale, negotiated prices normally charged by the Contractor pursuant to its catalog or otherwise for such items, (2) to the extent that such purchases relate to parts, components or property intended to be incorporated into the articles to be produced, repaired, or modified, special tools, supplies, miscellaneous equipment, facilities or other property, or to design, engineering, research or development services or any other services to be performed by the Contractor's employees not regularly assigned to the project, such purchases may be made at negotiated prices estimated but not warranted by the Contractor not to exceed plant cost, such purchases from other plants or divisions being treated for purposes of audit no differently than purchases under similar terms and conditions from third parties.

-5-

PART VIII - LETTER CONTRACT SUPERSEDED

This is the Definitive Contract contemplated by Letter Contract, Message _____, dated 1 March 1963. This Definitive Contract supersedes said Letter Contract. Services performed and payments made under the said Letter Contract, shall be deemed to be services performed and payments made under this Definitive Contract. The date of the Letter Contract shall govern for the determination of the priority status of this Definitive Contract. In the event of conflict between this Definitive Contract and said Letter Contract, this Definitive Contract shall prevail.

PART IX - WAIVER OF REQUIREMENTS OF GENERAL PROVISIONS

Notwithstanding the requirements of any of the General Provisions of this contract to the contrary, whensoever the Contractor, in performance of the work under this contract, shall find that the requirements of any of the clauses of the General Provisions are in conflict with security instructions issued to the Contractor by the Contracting Officer or by his duly authorized representative for security matters, the Contractor shall call the attention of the Contracting Officer to such conflict and the Contracting Officer or his duly authorized representative for security matters shall (i) modify or rescind such security requirements or (ii) the Contracting Officer shall issue to the Contractor a waiver of compliance with the requirements of the General Provisions conflicting with such security requirements. Any waiver of compliance with the General Provisions of this contract issued by the Contracting Officer shall be in writing, except that the approval by the Contracting Officer

-6-

of any subcontract issued hereunder by the Contractor shall be deemed to constitute approval of waiver of any clauses of the General Provisions in conflict with the stipulations of such subcontract.

PART X - SPECIAL SECURITY RESTRICTIONS

The Contractor shall not reveal (i) the specific nature or any details of the work being performed hereunder or (ii) any information whatsoever with respect to the department of the Government sponsoring this contract and the work thereunder except as the Contractor is directed or permitted to reveal such information by the Contracting Officer or by his duly authorized representative for security matters, and notwithstanding any clause or section of this contract to the contrary, the Contractor shall not interpret any clause or section of this contract as requiring or permitting divulgence of such information to any person, public or private, or to any officer or department of the Government without the express consent of the Contracting Officer or his duly authorized representative for security matters.

PART XI - COMPANY-SPONSORED RESEARCH

25X1 [] has, and is continuing at its own expense, programs of research and development in the fields of thermo-, electro-, and photosensitive materials, including materials, methods and apparatus for their manufacture, processing and use. While the results of such programs, if pertinent to the field of the present contract, may be applied [] to the work done under 25X1

-7-

the contract, nothing in the contract shall be construed as requiring the disclosure of inventions, data, or other information resulting from such independent programs or relative to the composition of such materials or their manufacture. The terms "Subject Invention" and "Subject Data" as used in this contract shall not include inventions or data resulting from such independent programs and no money may be withheld for failure to report as subject inventions or subject data, any inventions or data resulting from such independent programs. It is expressly understood that, as to sensitive materials, the contract concerns only processes employing available and known materials and that such contract will not encompass and will not be extended to encompass research or development relative to the composition of thermo-, electro-, or photosensitive materials or of materials for processing such sensitive materials or relative to methods or apparatus for manufacturing of such materials.

25X1

Approved For Release 2005/02/17 : CIA-RDP78B04770A001000040040-4

Approved For Release 2005/02/17 : CIA-RDP78B04770A001000040040-4